

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



WS-03449A  
MHC Operating Limited Partnership - Sewer  
The Sedona Venture Wastewater Treatment Plant  
c/o Manufactured Home Communities, Inc.  
2 N. Riverside Plaza, Ste 800  
Chicago, IL 60606

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2007
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RECEIVED

APR 9 2008  
THE CORP COMMISSION  
Director Utilities

FOR COMMISSION USE

ANN05	07
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4-10-08

## COMPANY INFORMATION

MHC Operating Limited Partnership		
Company Name (Business Name) <u>DBA: The Sedona Venture Water Company</u>		
Mailing Address <u>2 N. Riverside Pl., Ste 800</u>		
<u>Chicago</u> (City)	<u>IL</u> (State)	<u>60606</u> (Zip)
<u>(312) 279-1400</u> Telephone No. (Include Area Code)	<u>(312) 279-1710</u> Fax No. (Include Area Code)	<u>N/A</u> Cell No. (Include Area Code)
Email Address <u>Courtney-prescott@mhc-homes.com</u>		
Local Office Mailing Address <u>Sedona Shadows 6770 W. US Highway 89-A</u>		
<u>Sedona</u> (City)	<u>AZ</u> (State)	<u>86336</u> (Zip)
<u>(928) 282-1232</u> Local Office Telephone No. (Include Area Code)	<u>(928) 282-0093</u> Fax No. (Include Area Code)	<u>N/A</u> Cell No. (Include Area Code)
Email Address <u>N/A</u>		

## MANAGEMENT INFORMATION

Management Contact: <u>Ken Bunce</u>		<u>Regional Vice President</u>	
(Name)		(Title)	
<u>7310 N. 16<sup>th</sup> St., Ste 300</u>		<u>Phoenix</u>	<u>85020</u>
(Street)		(City)	(Zip)
<u>(602) 674-5109</u>	<u>(602) 674-5109</u>	<u>N/A</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>N/A</u>			
On Site Manager: <u>Darla Barrett</u>			
(Name)			
<u>6770 W US Highway 89-A</u>		<u>Sedona</u>	<u>86336</u>
(Street)		(City)	(Zip)
<u>(928) 282-1232</u>	<u>(928) 282-0093</u>	<u>N/A</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>N/A</u>			

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: The Prentice Hall Corporation System  
(Name)

3636 N. Central Ave. Phoenix AZ 85012  
(Street) (City) (State) (Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: Kenneth Knot  
(Name)

2 N. Riverside Pl., Ste. 800 Chicago IL 60606  
(Street) (City) (State) (Zip)

(312) 279-1452 (312) 279-1453 N/A  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address N/A

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☒ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) \_\_\_\_\_

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☒ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME Sedona Venture Wastewater Treatment Plant

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization	792		
352	Franchises			
353	Land and Land Rights	14,779		
354	Structures and Improvements	270,378		
355	Power Generation Equipment			
360	Collection Sewers – Force	42,732		
361	Collection Sewers – Gravity	3,963		
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices	9,408		
365	Flow Measuring Installations			
370	Receiving Wells	63,972		
380	Treatment and Disposal Equip.	391,485		
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment	5,141		
390	Office Furniture and Equipment	800		
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment	2,064		
395	Power Operated Equipment	35,633		
398	Other Tangible Plant	108,350		
	<b>TOTALS</b>	<b>909,497</b>	<b>759,915</b>	<b>149,582</b>

This amount goes on the Balance Sheet Acct. No. 108

**COMPANY NAME** Sedona Venture Wastewater Treatment Plant

**CALCULATION OF DEPRECIATION EXPENSE**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization	792	5%	see
352	Franchises			attached
353	Land and Land Rights	14,779		schedule
354	Structures and Improvements	270,378		
355	Power Generation Equipment			
360	Collection Sewers – Force	42,732		
361	Collection Sewers – Gravity	3,963		
362	Special Collecting Structures			
363	Services to Customers			
364	Flow Measuring Devices	9,408		
365	Flow Measuring Installations			
370	Receiving Wells	63,972		
380	Treatment and Disposal Equip.	391,485		
381	Plant Sewers			
382	Outfall Sewer Lines			
389	Other Plant and Misc. Equipment	5,141		
390	Office Furniture and Equipment	800		
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment	2,064		
395	Power Operated Equipment	35,633		
398	Other Tangible Plant	68,350		
	<b>TOTALS</b>	<b>909,497</b>		<b>44,696</b>

This amount goes on the Comparative Statement of Income and Expense Acct. 403

COMPANY NAME

Sedona Venture Wastewater Treatment Plant

**BALANCE SHEET**

Acct No.	ASSETS	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 167,784	\$ 261,346
132	Special Deposits		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	142	1,418
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	14,817	14,817
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 182,743	\$ 277,581
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 909,514	\$ 909,497
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(715,418)	(759,915)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 194,096	\$ 149,582
	<b>TOTAL ASSETS</b>	\$ 376,839	\$ 427,163

NOTE: Total Assets on this page should equal **Total Liabilities and Capital** on the following page.

COMPANY NAME

Sedona Venture Wastewater Treatment Plant

**BALANCE SHEET (CONTINUED)**

Acct No.	LIABILITIES	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF YEAR
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes	<161>	1,036
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	43,922	23,905
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 43,761	\$ 24,941
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$	\$
	<b>DEFERRED CREDITS</b>		
252	Advances in Aid of Construction	\$	\$
253	Other Deferred Credits		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$ 43,761	\$ 24,941
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$
211	Other Paid in Capital		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	333,078	402,222
	<b>TOTAL CAPITAL</b>	\$ 333,078	\$ 402,222
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 376,839	\$ 427,163

COMPANY NAME

Securix Venture Wastewater Treatment Plant

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
521	Flat Rate Revenues	\$	\$
522	Measured Revenues	225,206	228,875
536	Other Wastewater Revenues		
	<b>TOTAL REVENUES</b>	\$ 225,206	\$ 228,875
	<b>OPERATING EXPENSES</b>		
701	Salaries and Wages	\$	\$
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense	19,158	6,589
715	Purchased Power		
716	Fuel for Power Production		
718	Chemicals	1,564	1,303
720	Materials and Supplies	9,397	17,374
731	Contractual Services – Professional	88,537	97,491
735	Contractual Services – Testing	18,572	99
736	Contractual Services – Other	933	200
740	Rents		
750	Transportation Expense		
755	Insurance Expense		
765	Regulatory Commission Expense	62	98
775	Miscellaneous Expense	2,864	118
403	Depreciation Expense	42,209	44,696
408	Taxes Other Than Income		
408.11	Property Taxes	9,436	8,480
409	Income Taxes		
	<b>TOTAL OPERATING EXPENSES</b>	\$ 192,732	\$ 176,448
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/EXPENSE</b>	\$ —	\$ —
	<b>NET INCOME/(LOSS)</b>	\$ 32,474	\$ 52,427



COMPANY NAME

Sedona Venture Wastewater Treatment Plant

**SUPPLEMENTAL FINANCIAL DATA**

Long-Term Debt

N/A

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

COMPANY NAME	Sedona Venture Wastewater Treatment Plant
Name of System:	Wastewater Inventory Number (if applicable): 101755

**WASTEWATER COMPANY PLANT DESCRIPTION**  
**TREATMENT FACILITY**

<b>TYPE OF TREATMENT</b> (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Sequencing batch reactor
<b>DESIGN CAPACITY OF PLANT</b> (Gallons Per Day)	100,000

**LIFT STATION FACILITIES**

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Ls #1 - Red Moon Dr + Sunset Hills	2	7.5	110	4,000
Ls #2 - Sunset Hills + Yellow Sky Way	2	4.5	85	5,000
Ls #3 - WWTP - 115 Yellow Sky Way	2	0.5	60	3,500

**FORCE MAINS**

Size	Material	Length (Feet)
4-inch	Sch. 80 PVC	422
6-inch		

**MANHOLES**

Type	Quantity
Standard	55
Drop	3.5' to 5.0'

**CLEANOUTS**

Quantity
5

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

<b>COMPANY NAME</b>	Sedona Venture Wastewater Treatment Plant
<b>Name of System:</b>	Wastewater Inventory Number (if applicable): 101755

### WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)

#### COLLECTION MAINS

Size (in inches)	Material	Length (in feet)
4	Sch 80 PVC	3,274
6	Sch 80 PVC	422
8	Sch 80 PVC	12,197
10		
12		
15		
18		
21		
24		
30		

#### SERVICES

Size (in inches)	Material	Quantity
4	PR	272
6		
8		
12		
15		

### FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY PER WASTEWATER SYSTEM

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	Aerobic digester, sludge hauler
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	Vacuum regulated gas chlorinated system
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Rapid sand/gravel filter
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	28' x 12' wooden filter building 10' x 12' Laboratory
<b>OTHER</b> (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	various lab equipment and tools (2) standby generators

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME	Sedona Venture Wastewater Treatment Plant
Name of System:	Wastewater Inventory Number (if applicable): 101755

### WASTEWATER FLOWS

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
January 2007	272	1,152,993	45,218
February 2007	272	1,040,390	46,958
March 2007	272	1,362,216	50,029
April 2007	272	1,458,735	56,078
May 2007	272	1,371,594	55,426
June 2007	272	1,534,203	61,085
July 2007	272	1,661,246	67,372
August 2007	272	1,580,657	61,672
September 2007	272	1,502,695	59,245
October 2007	272	1,370,701	53,410
November 2007	272	1,057,406	51,231
December 2007	272	1,277,779	53,722

### PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE PER WASTEWATER SYSTEM

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	surface water discharge to dry creek
Groundwater Permit Number	NIA
ADEQ Aquifer Protection Permit Number	P-101755
ADEQ Reuse Permit Number	NIA
EPA NPDES Permit Number	AZ-0021807

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME Sedona Venture Wastewater Treatment Plant YEAR ENDING 12/31/2007  
INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported NIA  
Estimated or Actual Federal Tax Liability NIA

State Taxable Income Reported NIA  
Estimated or Actual State Tax Liability NIA

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances NIA  
Amount of Gross-Up Tax Collected NIA  
Total Grossed-Up Contributions/Advances NIA

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
PRINTED NAME

\_\_\_\_\_  
TITLE

COMPANY NAME Sedona Venture Wastewater YEAR ENDING 12/31/2007  
Treatment Plant

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2007 was: \$ 8,480.06

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. N/A  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**VERIFICATION  
AND  
SWORN STATEMENT**  
Taxes

RECEIVED  
APR 15 2008  
AZ CORP COM  
Director's Office

**VERIFICATION**

STATE OF \_\_\_\_\_

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)
NAME (OWNER OR OFFICIAL) TITLE
COMPANY NAME

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

*Ronald L. Bence*  
SIGNATURE OF OWNER OR OFFICIAL

602-674-5690  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

*Eighth*

DAY OF

COUNTY NAME

*Maricopa*

MONTH

*April*

*2008*

(SEAL)



SUSAN MARY SUBIA  
Notary Public, State of Arizona  
Maricopa County  
My Commission Expires  
June 08, 2010

*Susan Mary Subia*  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES

*June 8, 2010*

**VERIFICATION  
AND  
SWORN STATEMENT**  
Intrastate Revenues Only

RECEIVED  
APR 18 2008  
AZ CORP COMM  
Director Utilities

**VERIFICATION**

STATE OF \_\_\_\_\_  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)
NAME (OWNER OR OFFICIAL) TITLE
COMPANY NAME

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 228,875

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 0  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

*Ronald Bruce* AUTHORIZED REPRESENTATIVE  
SIGNATURE OF OWNER OR OFFICIAL  
602-674-5690  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

Eighth

DAY OF

COUNTY NAME

Maricopa

MONTH

April

, 2008

(SEAL)



SUSAN MARY SUBIA  
Notary Public, State of Arizona  
Maricopa County  
My Commission Expires June 28, 2010

MY COMMISSION EXPIRES

*Susan Mary Subia*  
SIGNATURE OF NOTARY PUBLIC



**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

RECEIVED

APR 08 2008

AZ CORP COMM  
Director Utilities

VERIFICATION

STATE OF \_\_\_\_\_

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)

NAME (OWNER OR OFFICIAL)

TITLE

COMPANY NAME

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 128,875

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ \_\_\_\_\_  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

X *Ronald C. Borne* AUTHORIZED  
SIGNATURE OF OWNER OR OFFICIAL REPRESENTATIVE  
602-674-5670  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

Eighth

DAY OF

(SEAL)

MY COMMISSION EXPIRES

June 8, 2010



SUSAN MARY SUBIA  
Notary Public, State of Arizona  
Maricopa County  
My Commission Expires  
June 08, 2010

NOTARY PUBLIC NAME	<u>Susan Mary Subia</u>
COUNTY NAME	<u>Maricopa</u>
MONTH	<u>April</u>
	<u>2008</u>

SIGNATURE OF NOTARY PUBLIC

*Susan Mary Subia*

**Rate Base Changes**

In an attempt to update the filings of the Sedona Venture to match the most recent decision by the Arizona Corporation Commission, MHC is adopting the adjustments and carrying forward the report design congruent with information provided by Mobile Parks West. In any instance that information was not available or incomplete due to the sale of the utility, appropriate ratios have been applied consistent with previous filings and decisions.

According to Decision #59587 on March 26, 1996, the Arizona Corporation Commission has agreed with the following adjustments which were recommended by the December 1995 staff report.

(Note: Decision #59587 was reported for FY ending 5/31/95)

**Sewer**

5/31/1995	Plant in Service	650,636.00	
	Non Depreciable Plant	15,571.00	
	Depreciable Plant	635,065.00	
	Depreciation at 5% (5/12)	13,230.52	
	Total Accumulated Depreciation		262,575.00
12/31/1995	Plant in Service	650,636.00	
	Non Depreciable Plant	15,571.00	
	Depreciable Plant	635,065.00	
	Depreciation at 5% (7/12)	18,522.73	
	Total Accumulated Depreciation		281,097.73
12/31/1996	Plant in Service	650,636.00	
	Non Depreciable Plant	15,571.00	
	Depreciable Plant	635,065.00	
	Depreciation at 5%	31,753.25	
	Total Accumulated Depreciation		312,850.98
	Plant Additions		
	4/14/1997 MPW - Back-up Pumps	4,073.00	
12/31/1997	Plant in Service	654,709.00	
	Non Depreciable Plant	15,571.00	
	Depreciable Plant	639,138.00	
	Depreciation at 5%	31,956.90	
	Total Accumulated Depreciation		344,807.88
	Plant Additions		
380	770520	5/98 Sewer Cleanout Machine	2,504.95
380	770520	5/98 Lab Equipment	1,882.21
380	770520	12/98 Desks for WWTP	294.24
390	770520	12/98 Desks for WWTP	505.99
354	772010	1/98 Sewer Upgrades	7,031.31
354	772010	1/98 Sewer Upgrades	1,085.00
354	772010	1/98 Sewer Upgrades	3,962.19
354	772010	1/98 Sewer Upgrades	995.80
380	772010	3/98 Sewer Plant Blower	2,128.17
354	772010	4/98 Sewer Repairs	9,294.19
380	772010	4/98 Auto Dialer - WWTP	1,540.74
380	772010	4/98 Digester Blower	1,814.40
354	772010	8/98 Lift Station #1 Upgrades	51,426.93
354	772010	8/98 Lift Station #1 Upgrades	1,827.50
380	772010	9/98 Sewer Pumps	6,554.22
380	772010	11/98 Actuator for WWTP	1,197.38
354	772010	11/98 Lift Station #1 Upgrades	47,416.82
354	772010	11/98 Sewer Upgrades	3,718.34
354	772010	11/98 Sewer Upgrades	1,971.03
354	772010	12/98 Repair Lift #1	3,835.17
354	772010	12/98 Repairs to WWTP	1,832.10
354	772010	12/98 Dry wall - Lab	33.08
380	772010	12/98 Flow meter for WWTP	1,083.44
380	772010	12/98 New Blower	7,634.36
380	772010	12/98 Water main flow meter	3,277.80
384	772010	12/98 Chart recorder	2,407.50
12/31/1998	Plant in Service	654,709.00	
	Non Depreciable Plant	15,571.00	
	Depreciable Plant	639,138.00	
	Depreciation at 5%	31,956.90	
	Plant additions - 1998	167,123.65	
	Depreciation at 2.5% - half-year convention	4,178.09	
	Total 1998 Depreciation		36,134.99
	Total Accumulated Depreciation		380,942.87
	Plant Additions		
371		flush pump/eval pump station-WWTP	200.00
371		10hp pump/wwtp	791.84
397		elect. rep./spare fuses for cabinet	230.72
395		rewind mixer motor-WWTP	709.10
395		mixer motor	335.44
397		fuses-wwtp	14.67
397		fuses, lift station #3	40.73
397		Wendy Ferguson	22.06
397		Wendy Ferguson	6.93
398		tuff shed/wwtp	170.88
398		tuff shed from 825-770520	1,465.00
380		filters for blower WWTP	1,420.88
380		blower repair/WWTP	3,080.45
380		WWTP BLOWER	798.22
12/31/1999	Plant in Service		821,832.65

	Non Depreciable Plant	15,571.00	
	Depreciable Plant	806,261.65	
	Depreciation at 5%	40,313.08	
	Plant additions - 1999	9,288.92	
	Depreciation at 2.5% - half-year convention	232.17	
	Total 1999 Depreciation	40,545.28	
	Total Accumulated Depreciation		421,488.13
Plant Additions			
7/24/2000	395 power operated equipment	627.31	
8/30/2000	354 electric tie from WWTP to lift station	12,479.00	
10/25/2000	394 WWTP lab equipment	2,060.54	
12/31/2000	Plant in Service	831,119.57	
	Non-depreciable Plant	15,571.00	
	Depreciable Plant	815,548.57	
	Depreciation at 5%	40,777.43	
	Plant additions - 2000	15,166.85	
	Depreciation at 2.5% - half year convention	379.17	
	Total 2000 Depreciation	41,156.60	
	Total Accumulated Depreciation		462,644.73
Plant Additions			
5/14/2001	371 pumping equipment	391.30	
2/13/2001	389 other plant & misc equip	911.50	
7/25/2001	389 other plant & misc equip	4,229.65	
12/31/2001	Plant in Service	846,286.42	
	Non-depreciable Plant	15,571.00	
	Depreciable Plant	830,715.42	
	Depreciation at 5%	41,535.77	
	Plant additions - 2001	5,532.45	
	Depreciation at 2.5% - half year convention	138.31	
	Total 2001 Depreciation	41,674.08	
	Total Accumulated Depreciation		504,318.81
Plant Additions			
12/31/2002	Plant in Service	851,818.87	
	Non-depreciable Plant	15,571.00	
	Depreciable Plant	836,247.87	
	Depreciation at 5%	41,812.39	
	Plant additions - 2002	0.00	
	Depreciation at 2.5% - half year convention	0.00	
	Total 2002 Depreciation	41,812.39	
	Total Accumulated Depreciation		546,131.20
Plant Additions			
12/31/2003	Plant in Service	851,818.87	
	Non-depreciable Plant	15,571.00	
	Depreciable Plant	836,247.87	
	Depreciation at 5%	41,812.39	
	Plant additions - 2003	0.00	
	Depreciation at 2.5% - half year convention	0.00	
	Total 2003 Depreciation	41,812.39	
	Total Accumulated Depreciation		587,943.59
Plant Additions			
12/31/2004	Plant in Service	851,818.87	
	Non-depreciable Plant	15,571.00	
	Depreciable Plant	836,247.87	
	Depreciation at 5%	41,812.39	
	Plant additions - 2004	3,963.33	
	Depreciation at 2.5% - half year convention	99.08	
	Total 2004 Depreciation	41,911.48	
	Total Accumulated Depreciation		629,855.07
Plant Additions			
12/31/2005	Plant in Service	855,782.20	
	Non-depreciable Plant	15,571.00	
	Depreciable Plant	840,211.20	
	Depreciation at 5%	42,010.56	
	Plant additions - 2005	0.00	
	Depreciation at 2.5% - half year convention	0.00	
	Total 2005 Depreciation	42,010.56	

Total Accumulated Depreciation		671,885.63
Plant Additions		
12/31/2006		49,765.49
		3,048.00
	Plant in Service	855,782.20
	Non-depreciable Plant	15,571.00
	Depreciable Plant	840,211.20
	Depreciation at 5%	42,010.56
	Plant additions - 2006	53,714.49
	Depreciation at 2.5% - half year convention	1,342.86
	Total 2006 Depreciation	43,353.42
	Total Accumulated Depreciation	715,219.05
Plant Additions		
12/31/2007		909,496.69
		15,571.00
	Plant in Service	893,925.69
	Non-depreciable Plant	44,696.28
	Depreciable Plant	
	Depreciation at 5%	
	Plant additions - 2007	0.00
	Depreciation at 2.5% - half year convention	44,696.28
	Total 2007 Depreciation	
	Total Accumulated Depreciation	759,915.34

MANUFACTURED HOME COMMUNITIES INC.  
DBA SEDONA VENTURE WATER & SEWER CO.

1842

Date 10/11/07

11-35/1210 CA

Pay to the order of Yavapai County Treasurer

\$ 3987.08

Three thousand nine - hundred + eighty - seven dollars + 08/100 Dollars

Bank of America

San Francisco, California

For Parcel 953-20-970 4

Josep Lucas

⑈001842⑈ ⑆121000358⑆ 12333⑈10619⑈

2007 FIRST HALF PAYMENT COUPON

Due October 1, 2007  
MHC OPERATING LTD, DBA SEDONA VENTURE(SE  
953-20-970 4 Roll Number: 0156086

Delinquency Date First Half Payment  
Penalty for late payment is 16% per year prorated  
monthly as of the 1st day of the month for payments  
postmarked after 5:00 P.M. November 1, 2007  
ARS 42-18052 and ARS 42-18053).

Any total property tax notice of \$100 or less must  
be paid in full using the first payment coupon, no  
later than November 1, 2007 at 5:00 P.M.

To pay taxes for the full year, send the 1st half  
coupon with your payment postmarked no later than  
Oct. 31, 2007. Delinquent interest will be waived.

DETACH AND RETURN WITH PAYMENT

Make check payable to:  
Ross D. Jacobs  
Yavapai County Treasurer  
1015 Fair Street  
Prescott AZ 86305-1807

Payment in U.S. FUNDS ONLY

TO PAY 1ST HALF ONLY	PAY ▶	3,987.08
TO PAY FULL YEAR TAX	PAY ▶	7,974.16

If your mortgage company makes your property  
tax payments consider this notice as a courtesy  
copy for your records only.



\*9532097004\*



Ross D. Jacobs  
Yavapai County Treasurer  
1015 Fair Street  
Prescott AZ 86305-1807

2007 9532097004 1 00000079741600000398708

Mailed ~~10/11~~ 10/12/07

DETACH AND RETURN WITH PAYMENT  
 MAKE CHECK PAYABLE TO:  
 Ross D. Jacobs  
 Yavapai County Treasurer  
 1015 Fair Street  
 Prescott AZ 86305-1807

THESE WILL BE A CHARGE FOR EACH RETURNED CHECK  
 ON YOUR CHECK  
 PARCEL NUMBER  
 PL-PS: INCLUDE YOUR

CHICAGO IL 60606-2682  
 2 N RIVERSIDE PLAZA #800  
 HAZEL S SALES  
 MHC OPERATING LTD, DBA SEDONA VENTURE/SE

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